

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

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ANNETTE LORBER,

*Plaintiff,*

-against-

JONATHAN WINSTON, SHELDON M. GANZ,  
SHELDON M. GANZ, CPA, P.C., EVA TEHRANI,  
HSBC BANK USA, NATIONAL ASSOCIATION,  
HSBC SECURITIES (USA) INC., WINHAVEN  
REALTY LLC, WINHAVEN DEVELOPMENT  
CORP., WINHAVEN DEVELOPMENT OF NEW  
YORK INC., WINHAVEN GROUP LLC,  
WINHAVEN GROUP OF NEW YORK LLC,  
WINHAVEN HOLDINGS LLC, WINHAVEN  
MANAGEMENT CORP., WINHAVEN  
MANAGEMENT OF NEW YORK INC.,  
WINHAVEN OF NEW YORK CITY LLC,  
WINHAVEN ASSOCIATES LLC, WINHAVEN  
ASSOCIATES II LLC, WINHAVEN CAPITAL  
PARTNERS, WINHAVEN 640 BROADWAY LLC,  
640 BROADWAY OWNERS LLC, WINHAVEN  
MATTITUCK LLC, WINHAVEN BOERUM LLC,  
WINHAVEN WESTHAMPTON BEACH PLAZA LLC,

**ANSWER**

*Defendants,*

12-cv-3571

- and -

513 CENTRAL PARK LLC,

*Relief Defendant.*

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Defendants Sheldon M. Ganz ("Ganz") and Sheldon M. Ganz, CPA, P.C. (SGPC)

(collectively "Defendant"), as and for their answer to the Complaint, allege as follows:

1. Defendant denies the allegations set forth in Paragraph 1 of the Complaint.

2. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 2 of the Complaint.

3. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 3 of the Complaint.

4. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 4 of the Complaint.

5. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 5 of the Complaint.

6. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 6 of the Complaint.

7. Defendant denies the allegations set forth in Paragraph 7 of the Complaint.

8. Defendant denies the allegations set forth in Paragraph 8 of the Complaint.

9. Defendant denies the allegations set forth in Paragraph 9 of the Complaint.

10. Defendant denies the allegations set forth in Paragraph 10 of the Complaint.

11. Defendant admits the allegations set forth in Paragraph 11 of the Complaint.

12. Defendant denies the allegations set forth in Paragraph 12 of the Complaint.

13. Defendant denies the allegations set forth in Paragraph 13 of the Complaint.

14. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 14 of the Complaint.

15. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 15 of the Complaint.

16. Defendant admits the allegations set forth in Paragraph 16 of the Complaint, except denies that (a) Ganz ever operated another accounting professional corporation, (b) Ganz has ever been, to his recollection, a defendant in a RICO action, and (c) Ganz owns an expensive home.

17. Defendant denies the allegations set forth in Paragraph 17 of the Complaint, except admits that SGPC is the corporation through which Ganz offers his accounting services.

18. Defendant admits the allegations set forth in Paragraph 18 of the Complaint, except denies knowledge or information sufficient to form a belief as to whether Defendant's assistant is Ms. Tehrani's best friend.

19. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 19 of the Complaint.

20. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 20 of the Complaint.

21. Defendant denies the allegations set forth in Paragraph 21 of the Complaint, except admits that some of the addresses set forth therein are correct.

22. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 22 of the Complaint.

23. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 23 of the Complaint.

24. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 24 of the Complaint.

25. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 25 of the Complaint.

26. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 26 of the Complaint.

27. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 27 of the Complaint.

28. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 28 of the Complaint.

29. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 29 of the Complaint.

30. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 30 of the Complaint.

31. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 31 of the Complaint.

32. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 32 of the Complaint.

33. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 33 of the Complaint.

34. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 34 of the Complaint.

35. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 35 of the Complaint.

36. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 36 of the Complaint.

37. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 37 of the Complaint.

38. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 38 of the Complaint.

39. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 39 of the Complaint, except admits that Ray Finken dealt with Plaintiff personally on a regular basis through 1999 regarding her credit line with HSBC.

40. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 40 of the Complaint.

41. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 41 of the Complaint.

42. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 42 of the Complaint.

43. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 43 of the Complaint.

44. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 44 of the Complaint.

45. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 45 of the Complaint.

46. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 46 of the Complaint.

47. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 47 of the Complaint.

48. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 48 of the Complaint.

49. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 49 of the Complaint.

50. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 50 of the Complaint.

51. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 51 of the Complaint.

52. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 52 of the Complaint.

53. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 53 of the Complaint.

54. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 54 of the Complaint.

55. Defendant denies the allegations set forth in Paragraph 55 of the Complaint.

56. Defendant denies the allegations set forth in Paragraph 56 of the Complaint.

57. Defendant denies the allegations set forth in Paragraph 57 of the Complaint.

58. Defendant denies the allegations set forth in Paragraph 58 of the Complaint.

59. Defendant denies the allegations set forth in Paragraph 59 of the Complaint.

60. Defendant denies the allegations set forth in Paragraph 60 of the Complaint.

61. Defendant denies the allegations set forth in Paragraph 61 of the Complaint, except admits that Jonathan Winston's wife ("Eve") was the beneficial owner of the marital home.

62. Defendant denies the allegations set forth in Paragraph 62 of the Complaint, except admits that various Winhaven entities were formed.

63. Defendant admits the allegations set forth in Paragraph 63 of the Complaint, except denies that any of the statements alleged therein were false.

64. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 64 of the Complaint, except denies the allegation that Eve has no experience with and no knowledge concerning real estate development.

65. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 65 of the Complaint.

66. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 66 of the Complaint, but alleges that he is aware that Jonathan Winston signed Eve's name at times with her express permission.

67. Defendant denies the allegations set forth in Paragraph 67 of the Complaint.

68. Defendant denies the allegations set forth in Paragraph 68 of the Complaint.

69. Defendant denies the allegations set forth in Paragraph 69 of the Complaint, except admits that Jonathan Winston and Ganz are long-time friends and have worked together.



70. Defendant admits the allegations set forth in Paragraph 70 of the Complaint, but does not recall the date that the offices were opened.

71. Defendant denies the allegations set forth in Paragraph 71 of the Complaint.

72. Defendant denies the allegations set forth in Paragraph 72 of the Complaint.

73. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 73 of the Complaint.

74. Defendant denies the allegations set forth in Paragraph 74 of the Complaint.

75. Defendant admits the allegations set forth in Paragraph 75 of the Complaint.

76. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 76 of the Complaint.

77. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 77 of the Complaint, except denies that there was a fraud.

78. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 78 of the Complaint.

79. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 79 of the Complaint.

80. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 80 of the Complaint.

81. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 81 of the Complaint.

82. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 82 of the Complaint.

83. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 83 of the Complaint.

84. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 84 of the Complaint.

85. Defendant denies the allegations set forth in Paragraph 85 of the Complaint.

86. Defendant denies the allegations set forth in Paragraph 86 of the Complaint.

87. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 87 of the Complaint, although Ganz and SGPC do not have reason to doubt Exhibit C to the Complaint.

88. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 88 of the Complaint, although Ganz and SGPC do not have reason to doubt Exhibit C to the Complaint.

89. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 89 of the Complaint.

90. Defendant denies the allegations set forth in Paragraph 90 of the Complaint.

91. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 91 of the Complaint.

92. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 92 of the Complaint.

93. Defendant denies the allegations set forth in Paragraph 93 of the Complaint.

94. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 94 of the Complaint.

95. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 95 of the Complaint, except admits that Jonathan Winston had a relationship with Mr. Finken, and alleges that Plaintiff had a relationship with Mr. Finken.

96. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 96 of the Complaint.

97. Defendant denies the allegations set forth in Paragraph 97 of the Complaint, except alleges that there were transfers from the credit line with Plaintiff's explicit approval.

98. Defendant denies the allegations set forth in Paragraph 98 of the Complaint, except alleges that there were transfers from the credit line with Plaintiff's explicit approval.

99. Defendant denies the allegations set forth in Paragraph 99 of the Complaint.

100. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 100 of the Complaint.

101. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 101 of the Complaint.

102. Defendant denies the allegations set forth in Paragraph 102 of the Complaint.

103. Defendant denies the allegations set forth in Paragraph 103 of the Complaint.

104. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 104 of the Complaint.

105. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 105 of the Complaint, except denies the allegations concerning cutting and pasting.

106. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 106 of the Complaint.

107. Defendant denies the allegations set forth in Paragraph 107 of the Complaint.

108. Defendant denies the allegations set forth in Paragraph 108 of the Complaint.

109. Defendant denies the allegations set forth in Paragraph 109 of the Complaint, except admits that there were payments made on the loan account.

110. Defendant denies the allegations set forth in Paragraph 110 of the Complaint insofar as they allege fraudulent conduct.

111. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 111 of the Complaint.

112. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 112 of the Complaint, except alleges that any signature that is not Plaintiff's was authorized by her.

113. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 113 of the Complaint.

114. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 114 of the Complaint.

115. Defendant denies the allegations set forth in Paragraph 115 of the Complaint.

116. Defendant denies the allegations set forth in Paragraph 116 of the Complaint, except admits that Plaintiff sought advice.

117. Defendant denies the allegations set forth in Paragraph 117 of the Complaint.

118. Defendant denies the allegations set forth in Paragraph 118 of the Complaint.

119. Defendant denies the allegations set forth in Paragraph 119 of the Complaint.

120. Defendant denies the allegations set forth in Paragraph 120 of the Complaint.

121. Defendant denies the allegations set forth in Paragraph 121 of the Complaint.

122. Defendant denies the allegations set forth in Paragraph 122 of the Complaint.

123. Defendant denies the allegations set forth in Paragraph 123 of the Complaint.

124. Defendant denies the allegations set forth in Paragraph 124 of the Complaint in that any action taken by Ms. Tehrani was authorized by Eve.

125. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 125 of the Complaint.

126. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 126 of the Complaint.

127. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 127 of the Complaint.

128. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 128 of the Complaint, except alleges that any and all transfers made were made with Plaintiff's knowledge and consent.

129. Defendant denies the allegations set forth in Paragraph 129 of the Complaint.

130. Defendant denies the allegations set forth in Paragraph 130 of the Complaint because there was no abuse of Plaintiff's finances nor any Winhaven Fraud.

131. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 131 of the Complaint, except denies that there was any fraud.

132. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 132 of the Complaint.

133. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 133 of the Complaint.

134. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 134 of the Complaint.

135. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 135 of the Complaint.

136. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 136 of the Complaint.

137. Defendant denies the allegations set forth in Paragraph 137 of the Complaint.

138. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 138 of the Complaint.

139. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 139 of the Complaint.

140. Defendant denies the allegations set forth in Paragraph 140 of the Complaint.

141. Defendant denies the allegations set forth in Paragraph 141 of the Complaint.

142. Defendant denies the allegations set forth in Paragraph 142 of the Complaint, except admits that Defendant received certain statements.

143. Defendant denies the allegations set forth in Paragraph 143 of the Complaint.

144. Defendant denies the allegations set forth in Paragraph 144 of the Complaint.

145. Defendant denies the allegations set forth in Paragraph 145 of the Complaint.

146. Defendant denies the allegations set forth in Paragraph 146 of the Complaint.

147. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 147 of the Complaint.

148. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 148 of the Complaint.

149. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 149 of the Complaint.

150. Defendant denies the allegations set forth in Paragraph 150 of the Complaint.

151. Defendant denies the allegations set forth in Paragraph 151 of the Complaint.

152. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 152 of the Complaint.

153. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 153 of the Complaint.

154. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 154 of the Complaint.

155. Defendant admits the allegations set forth in Paragraph 155 of the Complaint.



156. Defendant denies the allegations set forth in Paragraph 156 of the Complaint, except admits that Ganz had online access to Plaintiff's accounts, as did she.

157. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 157 of the Complaint, except alleges that any actions taken by Defendant were authorized by Plaintiff.

158. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 158 of the Complaint.

159. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 159 of the Complaint, except denies that there was any fraud.

160. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 160 of the Complaint, except denies that there was any fraud.

161. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 161 of the Complaint, except alleges that Plaintiff authorized Jonathan Winston to deal with HSBC.

162. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 162 of the Complaint, except admits that statements were sent to Defendant.

163. Defendant denies the allegations set forth in Paragraph 163 of the Complaint.

164. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 164 of the Complaint, except admits that Plaintiff was asked to post a \$500,000 bond for collateral.

165. Defendant denies the allegations set forth in Paragraph 165 of the Complaint.

166. Defendant denies the allegations set forth in Paragraph 166 of the Complaint.

167. Defendant denies the allegations set forth in Paragraph 167 of the Complaint.

168. Defendant denies the allegations set forth in Paragraph 168 of the Complaint.

169. Defendant denies the allegations set forth in Paragraph 169 of the Complaint.

170. Defendant denies the allegations set forth in Paragraph 170 of the Complaint because the allegation assumes that Jonathan Winston borrowed \$500,000 from Plaintiff.

171. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 171 of the Complaint.

172. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 172 of the Complaint.

173. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 173 of the Complaint.

174. Defendant denies the allegations set forth in Paragraph 174 of the Complaint.

175. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 175 of the Complaint.

176. Defendant denies the allegations set forth in Paragraph 176 of the Complaint, except admits that Plaintiff is the sole member of Amphitrite LLC, and that Paragraph 176 accurately reflects the mailing address of the LLC.

177. Defendant denies the allegations set forth in Paragraph 177 of the Complaint, except admits that Amphitrite LLC purchased the boat referenced therein.

178. Defendant denies the allegations set forth in Paragraph 178 of the Complaint.

179. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 179 of the Complaint.

180. Defendant denies the allegations set forth in Paragraph 180 of the Complaint, except admits that there was a required monthly payment on the boat.

181. Defendant admits the allegations set forth in Paragraph 181 of the Complaint.

182. Defendant admits the allegations set forth in Paragraph 182 of the Complaint, except denies the allegation concerning the source of the payments.

183. Defendant denies the allegations set forth in Paragraph 183 of the Complaint.

184. Defendant denies the allegations set forth in Paragraph 184 of the Complaint.

185. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 185 of the Complaint.

186. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 186 of the Complaint.

187. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 187 of the Complaint.

188. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 188 of the Complaint.

189. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 189 of the Complaint.

190. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 190 of the Complaint.

191. Defendant denies the allegations set forth in Paragraph 191 of the Complaint.

192. Defendant denies the allegations set forth in Paragraph 192 of the Complaint.

193. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 193 of the Complaint, except denies misconduct on Defendant's part.

194. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 194 of the Complaint.

195. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 195 of the Complaint.

196. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 196 of the Complaint.

197. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 197 of the Complaint.

198. Defendant denies the allegations set forth in Paragraph 198 of the Complaint.

199. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 199 of the Complaint, except admits the allegation concerning the address on the tax return.

200. Defendant refers the Court to the tax return discussed in Paragraph 200 of the Complaint.

201. Defendant refers the Court to the tax return discussed in Paragraph 201 of the Complaint.

202. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 202 of the Complaint, except denies any fraudulent activity.

203. Defendant denies the allegations set forth in Paragraph 203 of the Complaint.

204. Defendant denies the allegations set forth in Paragraph 204 of the Complaint.

205. Defendant denies the allegations set forth in Paragraph 205 of the Complaint.

206. Defendant denies the allegations set forth in Paragraph 206 of the Complaint.

207. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 207 of the Complaint.

208. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 208 of the Complaint.

209. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 209 of the Complaint.

210. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 210 of the Complaint.

211. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 211 of the Complaint.

212. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 212 of the Complaint.

213. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 213 of the Complaint.

214. Defendant denies the allegations set forth in Paragraph 214 of the Complaint.

215. Defendant denies the allegations set forth in Paragraph 215 of the Complaint.

216. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 216 of the Complaint.

217. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 217 of the Complaint.

218. Defendant denies the allegations set forth in Paragraph 218 of the Complaint.

219. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 219 of the Complaint.

220. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 220 of the Complaint.

221. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 221 of the Complaint.

222. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 222 of the Complaint.

223. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 223 of the Complaint, except denies that there was any fraud.

224. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 224 of the Complaint.

225. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 225 of the Complaint.

226. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 226 of the Complaint.

227. Defendant denies the allegations set forth in Paragraph 227 of the Complaint.

228. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 228 of the Complaint, except denies that there was any fraud.

229. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 229 of the Complaint, except denies that there was any fraud.

230. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 230 of the Complaint, except denies that there was any fraud.

231. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 231 of the Complaint, except denies that there was any fraud.

232. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 232 of the Complaint, except denies that there was any fraud.

233. Defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 233 of the Complaint.



234. In answer to Paragraph 234 of the Complaint, Defendant incorporates by reference and realleges all preceding paragraphs as if fully set forth herein.

235. Defendant admits the allegations set forth in Paragraph 235 of the Complaint.

236. Defendant admits the allegations set forth in Paragraph 236 of the Complaint.

237. Defendant denies the allegations set forth in Paragraph 237 of the Complaint.

238. Defendant denies the allegations set forth in Paragraph 238 of the Complaint.

239. Defendant denies the allegations set forth in Paragraph 239 of the Complaint.

240. Defendant denies the allegations set forth in Paragraph 240 of the Complaint.

241. Defendant denies the allegations set forth in Paragraph 241 of the Complaint.

242. Defendant denies the allegations set forth in Paragraph 242 of the Complaint.

243. Defendant denies the allegations set forth in Paragraph 243 of the Complaint.

244. Defendant denies the allegations set forth in Paragraph 244 of the Complaint.

245. Defendant denies the allegations set forth in Paragraph 245 of the Complaint.

246. Defendant denies the allegations set forth in Paragraph 246 of the Complaint.

247. Defendant denies the allegations set forth in Paragraph 247 of the Complaint.

248. Defendant denies the allegations set forth in Paragraph 248 of the Complaint.

249. Defendant denies the allegations set forth in Paragraph 249 of the Complaint.

250. Defendant denies the allegations set forth in Paragraph 250 of the Complaint.

251. Defendant denies the allegations set forth in Paragraph 251 of the Complaint.

252. Defendant denies the allegations set forth in Paragraph 252 of the Complaint.

253. In answer to Paragraph 253 of the Complaint, Defendant incorporates by reference and realleges all preceding paragraphs as if fully set forth herein.

254. Defendant denies the allegations set forth in Paragraph 254 of the Complaint.

255. Defendant denies the allegations set forth in Paragraph 255 of the Complaint.

256. Defendant denies the allegations set forth in Paragraph 256 of the Complaint.

257. Defendant denies the allegations set forth in Paragraph 257 of the Complaint.

258. Defendant denies the allegations set forth in Paragraph 258 of the Complaint.

259. Defendant denies the allegations set forth in Paragraph 259 of the Complaint.

260. In answer to Paragraph 260 of the Complaint, Defendant incorporates by reference and realleges all preceding paragraphs as if fully set forth herein.

261. Defendant denies the allegations set forth in Paragraph 261 of the Complaint.

262. Defendant denies the allegations set forth in Paragraph 262 of the Complaint.

263. Defendant denies the allegations set forth in Paragraph 263 of the Complaint.

264. Defendant denies the allegations set forth in Paragraph 264 of the Complaint.

265. Defendant denies the allegations set forth in Paragraph 265 of the Complaint.

266. Defendant denies the allegations set forth in Paragraph 266 of the Complaint.

267. In answer to Paragraph 267 of the Complaint, Defendant incorporates by reference and realleges all preceding paragraphs as if fully set forth herein.

268. Defendant denies the allegations set forth in Paragraph 268 of the Complaint.

269. Defendant denies the allegations set forth in Paragraph 269 of the Complaint.

270. Defendant denies the allegations set forth in Paragraph 270 of the Complaint.

271. Defendant denies the allegations set forth in Paragraph 271 of the Complaint.

272. Defendant denies the allegations set forth in Paragraph 272 of the Complaint.

273. Defendant denies the allegations set forth in Paragraph 273 of the Complaint.

274. Defendant denies the allegations set forth in Paragraph 274 of the Complaint.

275. In answer to Paragraph 275 of the Complaint, Defendant incorporates by reference and realleges all preceding paragraphs as if fully set forth herein.

276. Defendant admits the allegations set forth in Paragraph 276 of the Complaint.

277. Defendant denies the allegations set forth in Paragraph 277 of the Complaint.

278. Defendant denies the allegations set forth in Paragraph 278 of the Complaint.

279. Defendant denies the allegations set forth in Paragraph 279 of the Complaint.

280. Defendant denies the allegations set forth in Paragraph 280 of the Complaint.

281. With respect to Paragraph 281-319 of the Complaint, no answer from Defendant is required because the claims made therein are made against HSBC. However, to the extent that those Paragraphs repeat allegations set forth elsewhere in the Complaint, Defendant repeats and realleges his answer to those allegations as set forth above.

#### **FIRST AFFIRMATIVE DEFENSE**

282. This Court lacks subject matter jurisdiction because Plaintiff has failed to state a RICO claim upon which relief may be granted, and no other basis for jurisdiction is alleged.

#### **SECOND AFFIRMATIVE DEFENSE**

283. The Complaint fails to state a claim upon which relief may be granted.

#### **THIRD AFFIRMATIVE DEFENSE**

284. The Complaint is barred, in whole or in part, by the applicable Statutes of Limitations.

#### **FOURTH AFFIRMATIVE DEFENSE**

285. The Complaint is barred by the doctrine of waiver.

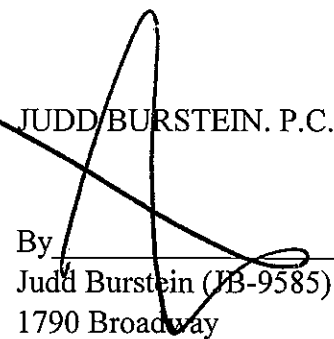
#### **FIFTH AFFIRMATIVE DEFENSE**

286. The Complaint fails to meet the pleading requirements of Fed. R. Civ. P. 9(b).

**WHEREFORE**, Defendant prays for a Judgment dismissing the Complaint and granting such other and further relief as deemed just and proper by the Court.

Dated: New York, New York  
August 8, 2012

JUDD BURSTEIN, P.C.

By   
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